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In the Matter of the Application of Wisconsin Power and Light for the 200 Megawatt Bent Tree Wind Project and Associated 161 Kilovolt High Voltage Transmission Line for a Certificate of Need in Freeborn County, Minnesota

ENVIRONMENTAL REPORT SCOPING DECISION PUC Docket No. ET6657/CN-07-1425

The above matter has come before the Director of the Office of Energy Security (OES) for a decision on the content of the Environmental Report (ER) to be prepared in consideration of the Wisconsin Power and Light Application for a Certificate of Need for the proposed 200 Megawatt (MW) Bent Tree Wind Project and associated 161 (kV) high voltage transmission line (HVTL) in Freeborn County.

Staff of the Minnesota Department of Commerce, Office of Energy Security, Energy Facilities Permitting Unit (EFP) held a public meeting on October 22, 2008, to discuss the project with the public and to solicit input into the scope of the ER to be prepared. The public was given until December 3, 2008, to submit written comments regarding the scope of the ER.

According to Minnesota 7849.7030:

The Director of the Office of Energy Security of the Department of Commerce shall prepare an environmental report on a proposed high voltage transmission line or a proposed large electric power generating plant at the need stage. The environmental report must contain information on the human and environmental impacts of the proposed project associated with the size, type, and timing of the project, system configurations, and voltage. The environmental report must also contain information on alternatives to the proposed project and shall address mitigating measures for anticipated adverse impacts. The Director shall be responsible for the completeness and accuracy of all information in the environmental report.

An ER provides a high level environmental analysis of the proposed Project and system alternatives, and reviews environmental impacts associated with named and alternative projects. It is only one part of a larger Office of Energy Security investigation of the Certificate of Need Application. The OES in its overall review will address in detail all the issues and alternatives required by rule.

Having received 28 comments on the matter and, and having consulted with staff, I hereby make the following Order on the content of the ER:

MATTERS TO BE ADDRESSED

The ER will address the written comments received which include but are not limited to turbine setbacks, noise setbacks, low frequency vibration, public health and safety issues related to wind energy development and the following subjects/matters for the proposed project:

The Environmental Report is required to contain the specific alternatives that are outlined in Minnesota Rules Chapter 7849.7060, subp.1, B:

A general description of the alternatives to the proposed project that are addressed. Alternatives shall include the no-build alternative, demand side management, purchased power, facilities of a different size or using a different energy source than the source proposed by the applicant, upgrading of existing facilities, generation rather than transmission if a high voltage transmission line is proposed, transmission rather than generation if a large electric power generating plant is proposed, use of renewable energy sources, and those alternatives identified by the chair.

The energy from the project will be produced by Wisconsin Power and Light for its own use to meet Wisconsin's Renewable Portfolio Standard (RPS) requirements and to meet the electricity needs of WPL's retail and wholesale customers. Under this scenario, it is not logical to conduct an analysis of an alternative that would not contribute to WPL's meeting its goals under the Wisconsin RPS. The alternative that will be discussed in the Environmental Report will be a 77 MW biomass plant. The 77 MW biomass plant is considered an "eligible energy technology" and can produce an equivalent amount of energy as the wind facility.

Bent Tree Wind Project

- 1.0 Description of Bent Tree Wind Project and Associated 161 kV Transmission Line [Minn. Rule 7849.7060, subp. 1, A]
- 2.0 Alternatives to be Evaluated [Minn. Rule 7849.7060, subp. 1, B]
 - 2.1 No-build Alternative
 - 2.2 A Generic 200 MW Wind Project and Associated Transmission Alternatives
 - 2.3 A 77 MW Biomass Plant

3.0 Human and Environmental Impacts [Minn. Rule 7849.7060, subp. 1, C, D]

- 3.1 Emissions [Minn. Rule 7849.7060, subp. 2, A]
 - No-build alternative
 - 200 MW wind project
 - 77 MW biomass plant
 - Bent Tree Wind Project and Associated 161 kV HVTL
- 3.2 Hazardous air pollutants and VOCs [Minn. Rule 7849.7060, subp. 2, B]
 - No-build alternative
 - 200 MW wind project
 - 77 MW biomass plant
 - Bent Tree Wind Project and Associated 161 kV HVTL
- 3.3 Visibility impairment & shadow flicker [Minn. Rule 7849.7060, subp. 2, C]
 - No-build alternative
 - 200 MW wind project
 - 77 MW biomass plant
 - Bent Tree Wind Project and Associated 161 kV HVTL
- 3.4 Ozone formation [Minn. Rule 7849.7060, subp. 2, D]
 - No-build alternative
 - 200 MW wind project
 - 77 MW biomass plant
 - Bent Tree Wind Project and Associated 161 kV HVTL
- 3.5 Fuel availability and delivery [Minn. Rule 7849.7060, subp. 2, E]
 - No-build alternative
 - 200 MW wind project
 - 77 MW biomass plant
 - Bent Tree Wind Project and Associated 161 kV HVTL
- 3.6 Associated transmission facilities [Minn. Rule 7849.7060, subp. 2, F]
 - No-build alternative
 - 200 MW wind project
 - 77 MW biomass plant
 - Bent Tree Wind Project and Associated 161 kV HVTL
- 3.7 Water appropriations [Minn. Rule 7849.7060, subp. 2, G]
 - No-build alternative
 - 200 MW wind project
 - 77 MW biomass plant
 - Bent Tree Wind Project and Associated 161 kV HVTL

- 3.8 Wastewater [Minn. Rule 7849.7060, subp. 2, H]
 - No-build alternative
 - 200 MW wind project
 - 77 MW biomass plant
 - Bent Tree Wind Project and Associated 161 kV HVTL
- 3.9 Solid and hazardous wastes [Minn. Rule 7849.7060, subp. 2, I]
 - No-build alternative
 - 200 MW wind project
 - 77 MW biomass plant
 - Bent Tree Wind Project and Associated 161 kV HVTL
- 3.10 Noise, [Minn. Rule 7849.7060, subp. 2, J]
 - No-build alternative
 - 200 MW wind project
 - 77 MW biomass plant
 - Bent Tree Wind Project and Associated 161 kV HVTL
- 4.0 Mitigation measures [Minn. Rule 7849.7060, subp. 1, E]
 - 4.1 No-build alternative
 - 4.2 200 MW wind project
 - 4.3 77 MW biomass plant
 - 4.4 Bent Tree Wind Project and Associated 161 kV HVTL
- 5.0 Feasibility and availability of alternatives [Minn. Rule 7849.7060, subp. 1, F]
 - 5.1 No-build alternative
 - 5.2 200 MW wind project
 - 5.3 77 MW biomass plant
 - 5.4 Bent Tree Wind Project and Associated 161 kV HVTL
- 6.0 Required permits [Minn. Rule 7849.7060, subp. 1, G].

The ER will describe the federal, state and local permits anticipated to build the project.

ISSUES OUTSIDE OF THE ENVIRONMENTAL REPORT

The ER will only identify the general potential impacts from the construction, operation, and maintenance of the proposed LWECS and HVTL along the broad geographic areas proposed, and the measures generally available to mitigate these potential impacts.

The ER will not consider the impacts or mitigative measures associated with specific tower or road locations within the proposed site for the Bent Tree Wind Farm or for the alignment of the 161 kV HVTL that is a part of the Project.

The proposed 161 kV HVTL is integrated into the Project to serve as a transmission outlet for the energy produced by the Bent Tree Wind Project. This HVTL, similar to wind related HVTL's in Mower County, is designed to accommodate the connection of a proposed generating facility onto the grid.

SCHEDULE

The Environmental Review will be completed in February 2009.

Signed this 2009 day of January, 2009

STATE OF MINNESOTA OFFICE OF ENERGY SECURITY

Bill Glahn, Director